

INSURANCE CODE
TITLE 13. REGULATION OF PROFESSIONALS
SUBTITLE B. AGENTS
CHAPTER 4055. SPECIALTY AGENTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 4055.001. DEFINITION. In this chapter, "specialty license holder" means a person who holds a license issued under this chapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.002. APPLICABILITY OF CHAPTER TO CERTAIN AGENTS.

(a) A person who holds a general property and casualty license issued under Chapter 4051 or a general life, accident, and health license issued under Chapter 4054 or who holds a substantially equivalent license under this code, as determined by the commissioner, is not required to obtain a specialty license.

(b) A person described by Subsection (a) is subject to the other requirements of this chapter in the solicitation, sale, or delivery of an insurance product that is subject to this chapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.003. RULES. The commissioner may adopt rules necessary to implement this chapter and to meet the minimum requirements of federal law, including regulations.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.004. APPLICATION. To obtain a specialty license an applicant must:

(1) submit to the commissioner:

(A) a written application:

(i) signed by the applicant;

(ii) on a form and supplements to the form prescribed by the commissioner; and

(iii) containing the information prescribed by the commissioner;

(B) a certification by an insurer authorized to engage in business in this state:

(i) signed and sworn to by an officer of the insurer;

(ii) stating that the insurer is satisfied that the applicant is trustworthy and competent to act as the insurer's agent for a limited purpose authorized by this chapter; and

(iii) stating that if the specialty license applied for is issued by the department the insurer will appoint the applicant to act as an agent for a kind of insurance that is subject to this chapter; and

(C) a nonrefundable license fee set by the department in an amount necessary to administer this chapter; and

(2) comply with the other requirements of this chapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.005. LICENSE ISSUANCE. The commissioner may issue a specialty license to an applicant who complies with Section [4055.004](#) and the other requirements of this chapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.006. EXAMINATION AND CONTINUING EDUCATION NOT REQUIRED. (a) An examination is not required for issuance of a specialty license.

(b) A person is not required to comply with continuing education requirements to hold a specialty license.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.007. APPOINTMENT AS AGENT BY INSURER. An insurer that appoints an agent under this chapter shall:

(1) submit a certification of the appointment signed by an officer of the insurer; and

(2) affirm that the insurer is satisfied that the specialty license holder is trustworthy and competent to act as an agent on behalf of the insurer.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.008. GENERAL POWERS AND DUTIES. (a) A specialty license holder may act as an agent for the kinds of insurance that are subject to this chapter for any insurer authorized to engage in the business of those kinds of insurance in this state.

(b) Except as otherwise provided by this chapter, a specialty license holder acting under this chapter shall comply with this title.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.009. CERTAIN REPRESENTATIONS PROHIBITED. A specialty license holder may not advertise, represent, or otherwise hold out the license holder or an employee of the license holder as an agent licensed under another chapter unless the entity or individual holds the applicable license.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.010. TREATMENT OF CERTAIN PREMIUMS. Notwithstanding any other provision of this title or any rule adopted by the commissioner, a specialty license holder is not required to treat as money received in a fiduciary capacity premiums collected from a consumer who purchases insurance coverage when completing a consumer transaction associated with the coverage if:

(1) the insurer represented by the license holder has consented in writing, signed by an officer of the insurer, that premiums are not required to be segregated from money received by the license holder because of the consumer transaction associated with the insurance coverage; and

(2) the charges for insurance coverage are itemized but not billed to the consumer separately from the charges for the associated consumer transaction.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.011. AUTHORITY OF EMPLOYEE OF SPECIALTY LICENSE HOLDER. An employee of a specialty license holder may act as an

agent with respect to the kinds of insurance the license holder is authorized to offer under this chapter only if the employee:

(1) is trained under Section 4055.012 to act individually on behalf of the license holder;

(2) acts on behalf of and under the supervision of the license holder; and

(3) is not compensated based primarily on the amount of insurance sold by the employee under this chapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.012. TRAINING REQUIRED TO ACT ON BEHALF OF SPECIALTY LICENSE HOLDER. (a) A specialty license holder may not allow an individual to act on the license holder's behalf with respect to a kind of insurance that the license holder is authorized to offer unless the individual has completed an approved training program.

(b) The materials for the training program must be provided to the specialty license holder by an insurer that writes the kind of insurance authorized under the specialty license.

(c) An insurer that provides training program materials under Subsection (b) must submit the training program to the commissioner for approval before the training program is used.

(d) The training program must meet the following minimum standards:

(1) each trainee must receive basic instruction about the kinds of insurance the specialty license holder is authorized to offer for purchase by prospective consumers;

(2) each trainee must be instructed to inform a prospective consumer that, except as may be specifically provided by another law of this state or the United States, the purchase of the kind of insurance offered is not required to complete the associated consumer transaction; and

(3) each trainee must be instructed with respect to the disclosures required to be made to consumers.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.013. ASSIGNMENT AND TRANSFER OF COMPENSATION BY

CERTAIN AGENTS. A person who is licensed as a general life, accident, and health agent, life insurance agent, general property and casualty agent, or personal lines property and casualty agent or who holds a substantially equivalent license under this code, as determined by the commissioner, and who enters into a contract with an insurer to act as the insurer's agent in soliciting or writing policies or certificates of insurance that are subject to this chapter may assign and transfer to the agent's employer any commission, fee, or other compensation to be paid to the agent under the agent's contract with the insurer only if the sale of the insurance product occurs within the scope of the agent's employment.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 548 (S.B. [1263](#)), Sec. 2.29, eff. September 1, 2007.

Sec. 4055.014. DISCLOSURES REQUIRED BEFORE ISSUANCE OF INSURANCE. Except as provided by Section [4055.105](#), insurance coverage may not be issued under this chapter unless:

(1) at each location at which sales of the coverage occur, brochures or other written materials are prominently displayed and readily available to a prospective consumer that:

(A) summarize, clearly and correctly, the material terms of the coverage offered to consumers, including the identity of the insurer;

(B) disclose that the coverage offered by the specialty license holder may duplicate coverage already provided by a consumer's personal auto insurance policy, homeowner's insurance policy, personal liability insurance policy, or another source of coverage;

(C) state that, except as specifically provided by another law of this state or the United States, the purchase by the consumer of the kind of insurance offered is not required to complete the associated consumer transaction;

(D) describe the process for filing a claim for benefits; and

(E) contain any additional information required by the commissioner by rule regarding the price, benefits, exclusions, conditions, or other limitations of the coverage; and

(2) evidence of coverage is provided to each consumer who purchases the coverage.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.015. VIOLATION BY SPECIALTY LICENSE HOLDER; PENALTIES. If a specialty license holder violates this title, the commissioner may:

(1) impose any disciplinary action authorized by Subchapter C, Chapter 4005; or

(2) after notice and opportunity for hearing, impose other penalties, including suspending the transaction of insurance at specific locations where a violation of this title has occurred, as the commissioner considers necessary or appropriate to implement the purposes of this title.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

SUBCHAPTER B. RENTAL CAR COMPANY LICENSE

Sec. 4055.051. DEFINITIONS. In this subchapter:

(1) "Rental agreement" means a written agreement that states the terms and conditions governing the use of a vehicle or vehicle equipment provided by a rental car company.

(2) "Rental car company" means a person engaged in the business of providing leased or rented vehicles or vehicle equipment to the public.

(3) "Renter" means a person who obtains the use of a vehicle or vehicle equipment from a rental car company under the terms of a rental agreement.

(4) "Vehicle" means:

(A) a private passenger motor vehicle, including passenger vans and minivans that are primarily intended for the transport of persons;

(B) a motor home;

(C) a motorcycle;

(D) a trailer with a gross vehicle weight rating of 10,000 pounds or less; or

(E) a truck with a gross vehicle weight rating of 26,000 pounds or less and the operation of which does not require a commercial driver's license.

(5) "Vehicle equipment" means a cartop carrier, tow bar, or tow dolly specifically designed for use with a vehicle.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.052. ISSUANCE OF LICENSE. Notwithstanding any other provision of this chapter or this code, the commissioner shall issue a specialty license to a rental car company, or to the franchisee of a rental car company, that complies with this subchapter. The specialty license may be issued only for the limited purposes specified by this subchapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.053. AUTHORITY OF RENTAL CAR COMPANY OR FRANCHISEE. (a) A rental car company or franchisee licensed under this chapter may act as an agent for an authorized insurer only:

(1) in connection with the rental of vehicles or vehicle equipment; and

(2) with respect to:

(A) excess liability insurance that provides coverage in excess of the standard liability limits provided by the rental car company in the rental agreement to the rental car company or franchisee and to renters and other authorized drivers of rental vehicles for liability arising from the negligent operation or use of the rental vehicle or vehicle equipment;

(B) accident and health insurance that provides coverage to renters and other rental vehicle occupants for accidental death or dismemberment and for medical expenses resulting from an accident involving the vehicle or vehicle equipment that occurs during the rental period;

(C) personal effects insurance that provides coverage to renters and other rental vehicle occupants for the loss of or damage to personal effects or household belongings that

occurs during the rental period; or

(D) any other coverage the commissioner approves as meaningful and appropriate in connection with the rental of vehicles or vehicle equipment.

(b) A rental car company or franchisee licensed under this chapter may not issue insurance under this subchapter in connection with a rental agreement if the rental period under the agreement exceeds 30 consecutive days.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

SUBCHAPTER C. CREDIT INSURANCE LICENSE

Sec. 4055.101. GENERAL DEFINITIONS. In this subchapter:

(1) "Credit insurance" includes:

(A) credit life insurance;

(B) credit accident and health insurance;

(C) credit property insurance;

(D) credit involuntary unemployment insurance;

and

(E) insurance that covers the difference between the actual cash value of a motor vehicle used as security for a loan or lease and the outstanding balance of that loan or lease if loss or damage renders the vehicle an actual or constructive total loss while the debt for which the vehicle serves as security exceeds the actual cash value of the vehicle.

(2) "Credit insurance agent" means a person licensed under this chapter to sell credit insurance as specifically provided by this subchapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.102. DEFINITION OF CREDIT PROPERTY INSURANCE.

(a) In this subchapter, "credit property insurance" means insurance that covers personal property:

(1) used as security for a personal or consumer loan;

or

(2) under an installment sales agreement or through a consumer credit transaction that is purchased in connection with or

in relation to the personal or consumer loan, installment sale, or consumer credit transaction.

(b) "Credit property insurance" does not include insurance that:

(1) provides theft, collision, liability, property damage, or comprehensive insurance coverage on an automobile, motorized aircraft, motorcycle, truck, truck-tractor, traction engine, or any other self-propelled vehicle or craft that is designed primarily for operation in the air, or on highways, roadways, waterways, or the sea, and the operating equipment of the self-propelled vehicle or craft; or

(2) is necessary because of liability imposed by law for damages arising out of the ownership, operation, maintenance, or use of a vehicle or craft described by Subdivision (1), other than single interest coverage on any vehicle or craft described by Subdivision (1) that insures the interest of the creditor in the same manner as security for a loan.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.103. ISSUANCE OF LICENSE. Notwithstanding any other provision of this chapter or this code, the commissioner may issue a specialty license to a retail distributor of goods, an automobile dealer, a bank, a state or federal savings and loan, a state or federal credit union, a finance company, a production credit association, a manufactured home retailer, or a mobile home retailer that complies with this subchapter. The specialty license may be issued only for the limited purposes specified by this subchapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.104. AUTHORITY OF CREDIT INSURANCE AGENT. A credit insurance agent appointed by an insurer authorized to engage in the business of insurance under this code may act as the agent for the insurer in the sale of any kind of credit insurance in the business of which the insurer is authorized to engage, including individual or group credit insurance.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.105. EXEMPTION FROM CERTAIN DISCLOSURE REQUIREMENTS. A specialty license holder and the license holder's representative are not required to make the disclosures required by Section 4055.014 as that section relates to the sale or delivery of a credit insurance product that is subject to this subchapter if the license holder or representative complies with all disclosure requirements prescribed by another provision of this code or another law of this state or the United States with regard to the sale or delivery of that product.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

SUBCHAPTER D. TRAVEL INSURANCE

Sec. 4055.151. DEFINITIONS. In this subchapter:

(1) "Offer and disseminate" means to:

(A) provide general information, including the price and a description of the coverage; and

(B) process the application and collect premiums.

(1-a) "Planned trip" means any journey or travel arranged through the services of a travel agency.

(1-b) "Supervising entity" means a travel insurance supervising entity designated by an insurer under Section 4055.1515.

(1-c) "Travel administrator" means a person who directly or indirectly underwrites, collects a charge, collateral, or premium from, or adjusts or settles a claim of, a resident of this state in connection with travel insurance. A person is not a travel administrator if the person's only actions that would otherwise cause the person to be considered a travel administrator include:

(A) the person working for a travel administrator to the extent the person's activities are subject to the supervision and control of the travel administrator;

(B) an insurance agent selling insurance or engaged in administrative and claims-related activities within the

scope of the agent's license;

(C) a travel retailer, registered under the license of a supervising entity in accordance with this subchapter, offering and disseminating travel insurance;

(D) an individual adjusting or settling claims in the normal course of the individual's practice or employment as an attorney and who does not collect charges or premiums in connection with insurance coverage; or

(E) a business entity that is affiliated with a licensed insurer acting as a travel administrator for the direct and assumed insurance business of an affiliated insurer.

(2) "Travel agency" means an entity engaged in the business of selling or arranging transportation or accommodations for the public.

(2-b) "Travel retailer" means a business entity that makes, arranges, or offers travel services.

(3) "Traveler" means an individual who seeks the assistance of a travel agency in connection with the planning and purchase of a trip.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 805 (S.B. [1672](#)), Sec. 2, eff. September 1, 2013.

Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 2, eff. September 1, 2019.

Sec. 4055.1515. TRAVEL INSURANCE SUPERVISING ENTITY AND TRAVEL ADMINISTRATOR. (a) An insurer authorized to engage in the business of travel insurance in this state may designate a travel insurance supervising entity for purposes of this subchapter. The supervising entity must be:

(1) a licensed managing general agent;

(2) a licensed third-party administrator;

(3) a licensed insurance agent, including a specialty license holder and a person described by Section [4055.002\(a\)](#); or

(4) a travel administrator.

(b) Notwithstanding any other provisions of this code, a

person may not act or represent the person as a travel administrator for travel insurance unless the person is:

- (1) a licensed property and casualty insurance agent;
- (2) a licensed managing general agent; or
- (3) a third-party administrator engaging in the business of insurance in this state under a certificate of authority.

(c) A travel administrator and a travel administrator's employees are exempt from the licensing requirements under Chapter [4101](#) with respect to travel insurance.

(d) An insurer is responsible for the acts of a travel administrator administering travel insurance underwritten by the insurer. The insurer must ensure that the travel administrator maintains all books and records relevant to the insurer and makes the books and records available to the department on request of the commissioner.

Added by Acts 2013, 83rd Leg., R.S., Ch. 805 (S.B. [1672](#)), Sec. 3, eff. September 1, 2013.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 3, eff. September 1, 2019.

Sec. 4055.152. SPECIALTY LICENSE; LICENSE NOT REQUIRED FOR TRAVEL RETAILER. (a) The commissioner may issue to an applicant under this chapter a specialty license that authorizes the license holder to sell, solicit, or negotiate travel insurance through a licensed insurer.

(b) Notwithstanding any other provision of this chapter or this code, a travel retailer that operates on behalf of and under the license and direction of a supervising entity does not require a license issued under this title, subject to Section [4055.153](#).

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 805 (S.B. [1672](#)), Sec. 4, eff. September 1, 2013.

Sec. 4055.153. AUTHORITY OF TRAVEL RETAILER. A travel

retailer may offer and disseminate travel insurance as a service to the retailer's customers on behalf of and under the license and direction of a supervising entity only:

(1) in connection with the sale or arrangement of transportation, accommodations, or events for travelers; and

(2) with respect to travel insurance.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 805 (S.B. [1672](#)), Sec. 4, eff. September 1, 2013.

Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 3, eff. September 1, 2019.

Sec. 4055.154. TRAVEL INSURANCE GENERALLY. (a) A travel retailer, or the supervising entity, shall provide to a traveler seeking to purchase travel insurance:

(1) a description of the material terms or the actual terms of the insurance coverage;

(2) a description of the claims filing process;

(3) a description of the review and cancellation process for the travel insurance policy; and

(4) the name and contact information for the insurer and the supervising entity.

(b) Travel insurance coverage may be provided under an individual or group insurance policy or a blanket travel insurance policy, as defined by Section [3504.0001](#).

Added by Acts 2013, 83rd Leg., R.S., Ch. 805 (S.B. [1672](#)), Sec. 5, eff. September 1, 2013.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 3, eff. September 1, 2019.

Sec. 4055.155. DUTIES OF INSURERS AND SUPERVISING ENTITIES.

(a) An insurer must notify the department in the manner prescribed by the commissioner by rule of the designation of a supervising entity described by Subsection (b).

(b) A supervising entity designated by an insurer that

provides travel insurance may authorize a travel retailer to offer and disseminate a travel insurance policy on behalf of the supervising entity by establishing a retailer registry.

(c) The registry established under Subsection (b) must be maintained and updated on an ongoing basis in a form prescribed by the commissioner by rule. The registry must include the name, address, and contact information, and federal employer identification number, if any, of each registered travel retailer and an individual contact person at the retailer.

(d) The registry must be submitted to the department on the request of the commissioner.

(e) The supervising entity must certify in a form prescribed by the commissioner by rule that each registered travel retailer is in compliance with 18 U.S.C. Section 1033. The grounds for suspension or revocation and the penalties that apply to a resident insurance agent apply to a supervising entity and travel retailer.

(f) The supervising entity shall designate an individual who is an officer of the entity and a licensed agent as the compliance officer responsible for compliance with insurance laws, rules, and regulations related to travel insurance.

(g) The compliance officer and the officers of the supervising entity that direct or control the travel insurance business of the supervising entity must submit fingerprints as required by the commissioner by rule.

(g-1) The supervising entity shall pay all applicable licensing fees required by state law with respect to travel insurance.

(h) The supervising entity shall provide travel insurance instruction and training to each employee of a registered travel retailer whose duties include offering and disseminating travel insurance. The instruction and training material are subject to review by the commissioner and must include instruction relating to the insurance offered, ethical sales practices, and required disclosures to travelers.

(i) The supervising entity is responsible for the acts of a travel retailer and shall use reasonable means to ensure each registered retailer's compliance with this subchapter.

(j) Any person licensed in a major line of authority, as determined by the commissioner, as an insurance agent may sell, solicit, and negotiate travel insurance. A property and casualty insurance agent is not required to be appointed by an insurer to sell, solicit, or negotiate travel insurance.

Added by Acts 2013, 83rd Leg., R.S., Ch. 805 (S.B. [1672](#)), Sec. 5, eff. September 1, 2013.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 4, eff. September 1, 2019.

Sec. 4055.156. DUTIES OF TRAVEL RETAILERS. (a) A travel retailer offering and disseminating travel insurance under this subchapter shall register with an insurer in a registry established under Section [4055.155](#).

(b) The travel retailer shall make available to travelers brochures or other written materials that:

(1) provide the name, address, and contact information of the authorized insurer and the supervising entity;

(2) explain that the purchase of travel insurance is not required for the purchase from the travel retailer of any other product or service; and

(3) disclose that the travel retailer is authorized to provide general information about travel insurance, including a description of coverage and the price for coverage, but is not qualified or authorized to provide answers to questions about specific policy terms or to evaluate the adequacy of the traveler's existing insurance coverage.

(c) A travel retailer may not:

(1) evaluate or interpret technical words or phrases used in a travel insurance policy or benefits under or terms of the policy;

(2) evaluate or provide advice related to a traveler's existing insurance coverage; or

(3) advertise or otherwise hold out the travel retailer as a license holder or an insurance expert.

(d) A travel retailer that complies with this subchapter may

receive compensation for offering and disseminating travel insurance on behalf of a supervising entity on or after the date the retailer registers with the insurer under this subchapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 805 (S.B. [1672](#)), Sec. 5, eff. September 1, 2013.

Sec. 4055.157. ENFORCEMENT. A supervising entity and a travel retailer registered with the supervising entity are subject to Chapters [82](#) and [83](#) and Subtitle C, Title 5.

Added by Acts 2013, 83rd Leg., R.S., Ch. 805 (S.B. [1672](#)), Sec. 5, eff. September 1, 2013.

Sec. 4055.158. RULEMAKING. The commissioner shall adopt rules necessary to implement this subchapter. Section [2001.0045](#), Government Code, does not apply to rules adopted under this section.

Added by Acts 2019, 86th Leg., R.S., Ch. 1000 (H.B. [2587](#)), Sec. 5, eff. September 1, 2019.

SUBCHAPTER E. SELF-SERVICE STORAGE FACILITY LICENSE

Sec. 4055.201. DEFINITIONS. In this subchapter:

(1) "Rental agreement" means a written agreement that states the terms governing the use of storage space provided by a self-service storage facility.

(2) "Renter" means a person who obtains the use of storage space from a self-service storage facility under a rental agreement.

(3) "Self-service storage facility" means a person engaged in the business of providing leased or rented storage space to the public.

(4) "Storage space" means a room, unit, locker, or open space offered for rental to the public for temporary storage of personal belongings or light commercial goods.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.202. ISSUANCE OF LICENSE. Notwithstanding any

other provision of this chapter or this code, the commissioner may issue a specialty license to a self-service storage facility or to the franchisee of a self-service storage facility that complies with this subchapter. The specialty license may be issued only for the limited purposes specified by this subchapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Sec. 4055.203. AUTHORITY OF SELF-SERVICE STORAGE FACILITY OR FRANCHISEE. A self-service storage facility or franchisee licensed under this chapter may act as an agent for any authorized insurer only:

(1) in connection with the rental of storage space; and

(2) with respect to:

(A) hazard insurance coverage provided to a renter for loss of or damage to tangible personal property in storage or in transit during the rental period; or

(B) any other coverage the commissioner approves as meaningful and appropriate in connection with the rental of storage space.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

SUBCHAPTER F. PORTABLE ELECTRONIC VENDOR LICENSE

Sec. 4055.251. DEFINITIONS. In this subchapter:

(1) "Customer" means a person who purchases a portable electronic device or a related service.

(2) "Portable electronic devices" means personal, self-contained, easily carried by an individual, battery-operated electronic communication, viewing, listening, recording, gaming, computing or global positioning devices, including cell or satellite phones, pagers, personal global positioning satellite units, portable computers, portable audio listening, video viewing or recording devices, digital cameras, video camcorders, portable gaming systems, docking stations, automatic answering devices, and other similar devices and their accessories.

(3) "Vendor" means a person or entity engaged in the

business of leasing, selling, or providing portable electronic devices or related services to customers.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 121 (H.B. [2569](#)), Sec. 1, eff. September 1, 2009.

Sec. 4055.252. ISSUANCE OF LICENSE; LICENSE FEE. (a) Notwithstanding any other provision of this chapter or this code, the commissioner may issue a specialty license to a vendor who complies with this subchapter. The specialty license may be issued only for the limited purposes specified by this subchapter.

(b) A specialty license issued to a vendor under this subchapter authorizes the vendor and any employee or authorized representative of the vendor to offer the type of coverage specified in this subchapter at each location at which the vendor engages in business.

(c) The commissioner shall impose an annual license fee for a specialty license issued under this subchapter. The commissioner shall set the license fee in an amount reasonable and necessary to cover the costs of administering this subchapter, not to exceed \$5,000.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 121 (H.B. [2569](#)), Sec. 1, eff. September 1, 2009.

Sec. 4055.253. AUTHORITY OF VENDOR OF PORTABLE ELECTRONIC DEVICES. (a) A vendor licensed under this subchapter and the vendor's employee and authorized representative may act as an agent for an authorized insurer in connection with the sale and use of portable electronic devices and related services only with respect to:

(1) insurance coverage provided to customers that covers portable electronic devices against one or more of the following:

(A) loss;

- (B) theft;
- (C) mechanical failure;
- (D) malfunction;
- (E) damage; or
- (F) other applicable perils; or

(2) the provision of any other coverage the commissioner approves as meaningful and appropriate in connection with the use of portable electronic devices or related services.

(b) A vendor licensed under this subchapter may bill a customer for, and collect from a customer payment for, insurance coverage provided to the customer under this subchapter.

(c) An insurer issuing a policy to a licensed vendor is considered to have received a premium from a vendor's customer enrolled in coverage on the customer's payment of the premium to the vendor.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 7, eff. April 1, 2005.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 121 (H.B. [2569](#)), Sec. 1, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 1174 (S.B. [839](#)), Sec. 2, eff. September 1, 2013.

Sec. 4055.254. INSURANCE POLICY; REQUIREMENTS. (a) Insurance provided under this subchapter may be issued to a licensed vendor under a master or group policy of personal or commercial inland marine insurance. A customer may be designated as an additional insured or certificate holder under the policy.

(b) A licensed vendor shall provide to each customer designated as an additional insured or certificate holder a coverage form, certificate, or other evidence of coverage in a brochure or separate document.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 121 (H.B. [2569](#)), Sec. 1, eff. September 1, 2009.

Sec. 4055.255. REQUIRED TRAINING. (a) Notwithstanding Section [4055.012](#), an agent who holds a license issued under Chapter

[4051](#) or a substantially equivalent license issued under this code and who is appointed by the insurer that insures a vendor may:

(1) provide the materials for the training program required under Section [4055.012](#); and

(2) conduct the applicable training.

(b) An agent described by Subsection (a) shall submit the training program materials for approval as required under Section [4055.012](#)(c).

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 121 (H.B. [2569](#)), Sec. 1, eff. September 1, 2009.

Sec. 4055.256. REQUIRED DISCLOSURES. (a) A licensed vendor must separately itemize on a customer's bill any charge to the customer for insurance coverage provided under this subchapter that is not included in the cost associated with the purchase or lease of the covered portable electronic device or related services.

(b) If insurance coverage provided under this subchapter is included in the cost associated with the purchase or lease of a covered portable electronic device or related services, a licensed vendor shall, at the time of the purchase or lease, clearly and conspicuously disclose the inclusion of that coverage to the customer.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1174 (S.B. [839](#)), Sec. 3, eff. September 1, 2013.